



**RBA
AUSTIN HOUSING FINANCE CORPORATION
RECOMMENDATION FOR BOARD ACTION**

**AGENDA ITEM NO.: AHFC-3
AGENDA DATE: Thu 09/29/2005
PAGE: 1 of 2**

SUBJECT: Authorize the negotiation and execution of a one-year service agreement with the City in an amount not to exceed \$15,182,497 to fund the Corporation's management and operation of various City housing programs in Fiscal Year 2005-2006, including Tenant Based Rental Assistance, Rental Housing Development Assistance, Architectural Barrier Removal-Rental, Homebuyer Lending Assistance, Acquisition and Development, Architectural Barrier Removal-Homeowner, Emergency Home Repair, Homeowner Moderate Rehabilitation, and the Material Grants Program.

AMOUNT & SOURCE OF FUNDING: Funding sources for the service agreement include: (1) Grant Operating Budget-New Funding - \$1,143,229 from the Housing Trust Fund; \$37,824 from the City UNO-Housing Trust Fund; \$830,474 from the City S.M.A.R.T. Housing™ Capital Improvement Project Fund; \$2,654,684 from HUD HOME Program Income; \$806,259 from the HUD Community Development Block Grant revolving fund; \$2,472,433 from the HUD Community Development Block Grant; \$204,041 from the HUD American Dream Down Payment Initiative; and \$4,074,354 from the HUD HOME Investment Partnership Program, (2) Grant Operating Budget-Carryforward Funding - \$433,912 from the S.M.A.R.T. Housing™ Capital Improvement Project Fund; and \$1,154,534 from the HUD Community Development Block Grant, and (3) the AHFC Housing Assistance Fund - \$1,370,753. Funding is subject to environmental review and fund release.

FISCAL NOTE: There is no unanticipated fiscal impact. A fiscal note is not required.

REQUESTING Austin Housing Finance
DEPARTMENT: Corporation

DIRECTOR'S
AUTHORIZATION: Paul Hilgers

FOR MORE INFORMATION CONTACT: Paul Hilgers, Executive Director, Austin Housing Finance Corporation, 974-3108.

PRIOR BOARD ACTION: N/A

BOARD AND COMMISSION ACTION: N/A

By this action the Board approves the negotiation and execution of a one-year service agreement with the City in an amount not to exceed \$15,182,497 to manage and operate various City housing programs in Fiscal Year 2005-2006, pending environmental review and fund release.

The Austin City Council created the Austin Housing Finance Corporation (AHFC) in 1979 as a public non-profit corporation to facilitate the financing and development of affordable housing for low- and moderate-income residents. As an instrumentality of the City, the AHFC administers affordable housing programs using City grants, federal grant funds from the U.S. Department of Housing and Urban Development, the City's Housing Trust Fund, funds generated by the Corporation (See Exhibit A), and an annual appropriation for the AHFC's Housing Assistance Fund (See Exhibit B). AHFC offices are located in the Neighborhood Housing and Community Development Office and its employees are City employees.

**RBA
AUSTIN HOUSING FINANCE CORPORATION
RECOMMENDATION FOR BOARD ACTION**

**AGENDA ITEM NO.: AHFC-3
AGENDA DATE: Thu 09/29/2005
PAGE: 2 of 2**

As the City's designated affordable housing agency, AHFC has been granted administration of the City's Housing Trust Fund. The Fiscal Year 2005-2006 budget allocation of \$1,143,229 will be used to expand affordable rental housing and acquisition and development.

The S.M.A.R.T. Housing™ Capital Improvement Program funds will be used for the First-Time Homebuyer Program, Acquisition and Development, and the Housing Development Assistance Program. All AHFC-financed or developed new residential construction will meet S.M.A.R.T. Housing™ criteria.

Austin Housing Finance Corporation
Grant Operating Budget
Fiscal Year 2005-2006
(for the period October 1, 2005 through September 30, 2006)
EXHIBIT A1 - New Funding

<u>Sources of Funds</u>			Households Served
Transfer From City of Austin (COA)	Housing Trust Fund	1,143,229	
	UNO - Housing Trust Fund	37,824	
	S.M.A.R.T. Housing Capital Improvement Program	830,474	
		<u>2,011,527</u>	
Revolving Loan Fund Program Income (Sales Proceeds)	CDBG - Revolving Loan	806,259	
	HOME	2,654,684	
Grant Proceeds	CDBG	2,472,433	
	ADDI	204,041	
	HOME	4,074,354	
		<u>6,750,828</u>	
Total Source of Funds		<u>\$ 12,223,298</u>	
<u>Use of Funds</u>			
Assisted Housing Tenant Based Rental Assistance	HOME	431,925	82
	HOME Program Income	58,075	
	COA- Housing Trust Fund	175,000	
		<u>665,000</u>	
Rental Housing Rental Housing Development Assistance	CDBG	318,833	138
	CDBG - PI	45,446	
	COA- Housing Trust Fund	968,229	
	COA- UNO- Housing Trust Fund	37,824	
	HOME Program Income	110,609	
	HOME (CHDO)	679,058	
	HOME	1,041,382	
		<u>3,201,381</u>	
Architectural Barrier Removal	CDBG		100
Anderson Hill Redevelopment	HOME Program Income	<u>1,848,000</u>	
First-Time Homebuyer Homebuyer Lending Assistance	HOME	1,209,872	165
	HOME Program Income	238,732	
	ADDI	204,041	
		<u>1,652,645</u>	
Homeownership Development Acquisition and Development	CDBG	453,873	47

	HOME	485,861	
	CDBG - Revolving Loan	607,733	
	COA-G/F CIP	830,174	
	HOME Program Income	<u>266,000</u>	
		<u>2,643,941</u>	
CHDO Capacity Building	HOME	125,000	
Owner-Occupied Housing			
Architectural Barrier Removal	CDBG	529,782	400
Emergency Home Repair	CDBG	950,000	450
Homeowner Moderate Rehabilitation	CDBG - Revolving Loan	153,080	30
	CDBG	219,945	
	HOME Program Income	133,268	
	HOME	<u>101,256</u>	
		607,549	
Bond Program			40
Materials Grants Program	HTF	<u>-</u>	40
		<u>-</u>	
Total Use of Funds		\$ <u>12,223,298</u>	<u>1,492</u>

Austin Housing Finance Corporation
Grant Operating Budget
Fiscal Year 2005-2006
(for the period October 1, 2005 through September 30, 2006)
EXHIBIT A2 - Carryforward Funding

<u>Sources of Funds</u>		Households Served	
Transfer From City of Austin (COA)	S.M.A.R.T. Housing Capital Improvement Program	433,912	
		433,912	
Grant Proceeds	CDBG	1,154,534	
		1,154,534	
Total Source of Funds		\$ 1,588,446	
<u>Use of Funds</u>			
Rental Housing			
Architectural Barrier Removal	CDBG	226,528	100
First Time Homebuyer			
Homeownership Development			
Acquisition and Development	COA-G/F CIP	433,912	47
		433,912	
Owner-Occupied Housing			
Architectural Barrier Removal	CDBG	687,837	400
Homeowner Moderate Rehabilitation	CDBG - Revolving Loan	240,169	30
		240,169	
Total Use of Funds		\$ 1,588,446	577

<p style="text-align: center;"> Austin Housing Finance Corporation Housing Assistance Fund Budget Fiscal Year 2005-2006 (for the period October 1, 2005, through September 30, 2006) EXHIBIT B </p>
--

Source of Funds

Housing Assistance Fund Sales Proceeds	501,340
Interest Income	13,488
Fees	68,351
Fund Balance	<u>787,574</u>
Total Source of Funds	\$ <u><u>1,370,753</u></u>

Use of Funds

Bond Program	153,378
Asset Management	143,126
Homeownership Development - Acquisition and Development	473,364
Homebuyer Assistance - Down Payment Assistance	27,976
Materials Rebate Program	0
Administration	<u>572,909</u>
Total Use of Funds	\$ <u><u>1,370,753</u></u>